

Joe Skeen was a true leader in the fight against Parkinson's Disease. Over the years, the Working Group has sought to increase awareness among Members of Congress on Parkinson's related issues. Most importantly, the Working Group advocates for accelerated and increased funding for Parkinson's research in the hopes that we soon find the cure for what leading scientists call the most curable neurological disorder.

We will carry on the fight to cure Parkinson's, in part, inspired by the legacy of the great Joe Skeen. This bill ensures that the people of New Mexico and those around the country never forget our friend, Joe. I fully support its passage in honor of Joe Skeen—a true national treasure.

Mr. BURNS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. TERRY). The question is on the motion offered by the gentleman from Georgia (Mr. BURNS) that the House suspend the rules and pass the bill, H.R. 3734.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. BURNS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 3428 and H.R. 3734, the measures just concluded by the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

#### THE ADOPTION TAX RELIEF GUARANTEE ACT

Mr. CAMP. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1057) to repeal the sunset of the Economic Growth and Tax Relief Reconciliation Act of 2001 with respect to the expansion of the adoption credit and adoption assistance programs.

The Clerk read as follows:

H.R. 1057

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

##### SECTION 1. SHORT TITLE.

This Act may be cited as “The Adoption Tax Relief Guarantee Act”.

##### SEC. 2. REPEAL OF APPLICABILITY OF SUNSET OF THE ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001 WITH RESPECT TO ADOPTION CREDIT AND ADOPTION ASSISTANCE PROGRAMS.

Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by adding at the end the following new subsection:

“(c) EXCEPTION.—Subsection (a) shall not apply to the amendments made by section 202 (relating to expansion of adoption credit and adoption assistance programs).”.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from

Michigan (Mr. CAMP) and the gentleman from Maryland (Mr. CARDIN) each will control 20 minutes.

The Chair recognizes the gentleman from Michigan (Mr. CAMP).

Mr. CAMP. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H.R. 1057, a bill to make permanent the adoption tax credit and assistance programs contained within the Economic Growth and Tax Relief Act, which we passed in 2001.

The importance of the Adoption Tax Relief Guarantee Act could not be clearer: helping abandoned children find safe, loving, permanent homes. Three years ago, we took a giant step forward. Our failure to act today would be an equally giant step backward.

The adoption tax credits were originally limited to 10 years. No child should have limits placed on their hopes, dreams, and opportunities for the future, and no loving parent willing to take a child in should be denied due to the financial burdens imposed by the adoption process. By voting in favor of H.R. 1057, we will eliminate the sunset and will make adoptions easier for all families for generations to come.

Adoptions can be prohibitively expensive. Licensed private adoption agencies charge fees ranging from \$4,000 to \$30,000. Independent adoptions can cost anywhere from \$8,000 to \$30,000. If the adoption tax credit is cut, the prior law level of \$5,000, many families will not be able to afford adoptions. Money may not be able to buy you love, but in the case of adoptions, it may keep you from it.

There are over 565,000 children in publicly-funded foster care waiting to be adopted. Even more are in the private system. Cutting the adoption tax credit will make it more difficult to move children out of foster care and into permanent homes. With H.R. 1057, we will permanently put the health and safety of children first and give our Nation's foster children a fighting chance. We cannot allow this credit to lapse. Over half a million children are counting on us to finish the job we started over a year ago.

Temporary is not an option for adoption, and it should not be for this tax credit either. I urge my colleagues to support this vital piece of legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. CARDIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, there is broad bipartisan support for assisting adoptive families in meeting their expenses. Helping families afford the cost of adopting children in loving homes is clearly a worthy policy, and targeted tax relief can help promote that goal. I, therefore, support this effort to eliminate the sunset provision in the current adoption tax credit, and I want to compliment my colleague, the gentleman from Michigan (Mr. CAMP), for his work and leadership on this issue.

This extension is particularly worthwhile given the change in the adoption

tax credit that took effect last year. Let me just point that out, Mr. Speaker, the adoption tax credit now provides a guaranteed \$10,000 tax credit for the adoption of special-needs children who are classified as being more difficult to place for adoption because of certain factors, including physical, mental or emotional impairment. Prior to that change, it was very difficult for people adopting special-needs children to qualify for the tax credit. In fact, less than 15 percent did, because many of their expenses included in the adoption credit were already paid for.

We know that people who adopt children with special needs incur additional costs, including modifying their home to take care of the physical impairments of the child and other types of expenses. Now that we have modified the tax credit, those families can take advantage of this \$10,000 credit, and therefore, it is really helping deal with the placement of special-needs children, one additional reason why it is important for this tax credit program to continue without interruption, one additional reason why this legislation should pass.

My only regret about this legislation is that there was no effort to offset its cost. Relative to the other tax extensions, the cost of the adoption tax credit is relatively modest. Let me point out, Mr. Speaker, that the sunset provision is now in the year 2010. There are many other tax provisions that have much sooner sunset dates that we have not acted on yet and we need to deal with.

I support this change, and it has a modest cost, but I am sorry that we did not take advantage of this opportunity to close some tax loopholes, including those available to companies who ship jobs overseas, that could have offset easily the cost of this bill so we do not continue to add to the growing deficit.

The current budget deficit is \$422 billion in this fiscal year, and it is projected to grow to over \$1.6 trillion over the next 5 years. This amount will be added to a current overall of \$7.3 trillion. It should, therefore, be no surprise that we are about to raise our government debt limit for the third time in just the last 3 years. At some point, we are going to have to own up to the fact that we are simply passing on our obligations to our children rather than living within our means.

Mr. Speaker, I hope we will find a way to pay for this and other tax extenders through commonsense changes in the tax code. In the meantime, I support this extension of the adoption tax credit, and I urge my colleagues to support this legislation but to continue to work for more responsible fiscal policies.

Mr. Speaker, I reserve the balance of my time.

Mr. CAMP. Mr. Speaker, I yield myself such time as I may consume, and I appreciate the gentleman's comments in support of the bill. I would like to say that we have confirmed with the

Committee on the Budget that this legislation does fall within the parameters of the House-passed budget.

Mr. Speaker, I yield such time as he may consume to the gentleman from South Carolina (Mr. DEMINT), the author of this bill who has been a real leader on adoption issues in this House.

Mr. DEMINT. Mr. Speaker, first, let me express my sincere appreciation to the House leadership and, particularly, the chairman of the Committee on Ways and Means for bringing this important legislation to the floor. I would like to thank my colleague, the gentleman from Michigan (Mr. CAMP) for his leadership on the adoption issue over many years, as well as the gentleman from Maryland (Mr. CARDIN) and all of my colleagues on both sides of the aisle for supporting this legislation.

One of the greatest titles in the world is parent, and one of the biggest blessings in the world is to have parents to call mom and dad. So it gives me great joy to stand here along with all my colleagues today to celebrate the thousands of moms and dads and children who have become bigger, stronger families through adoption.

Last Congress, we passed several important adoption provisions. We doubled the adoption tax credit to \$10,000 for all adoptions. We indexed that credit to inflation. We increased the earnings limit, and we exempted the beneficiaries from the alternative minimum tax. We included, as has already been mentioned, a \$10,000 flat credit for special-needs adoptions. Additionally, we extended and doubled the tax deduction for employer-provided adoption benefits.

Unfortunately, the Senate's sunset provisions will make all these benefits disappear December 31, 2010. Sadly, it will soon start to affect couples who want to begin the adoption process and cannot afford all the adoption costs related to it.

H.R. 1057, the legislation before us today, will help couples by ensuring that they know that the adoption tax credit and the financial relief provided by this tax credit will be there for them when they find that beloved child. This bill will guarantee tax relief for adoptive parents and will help unite children with loving parents who can build strong and stable families in our country.

There may be some unwanted pregnancies, Mr. Speaker, but the thousands of couples that are waiting to adopt children prove that there are no unwanted children, and I urge my colleagues to support this legislation.

Mr. CARDIN. Mr. Speaker, I am pleased to yield 5 minutes to the gentleman from Washington (Mr. McDERMOTT), a member of the Committee on Ways and Means.

(Mr. McDERMOTT asked and was given permission to revise and extend his remarks.)

Mr. McDERMOTT. Mr. Speaker, the remarks by the gentleman from South

Carolina are quite interesting. He has brought out a bill today that all here wholeheartedly support, through tax incentives, making adoptions less costly. Now, that is certainly a good idea.

But it is hard to understand his thinking, because he has introduced legislation here to convert our whole tax regime to one that relies solely on consumption taxes, a sales tax.

Now, I do not know why he is supporting this. I guess he wants to keep making it more complicated so his other bill will pass, but that proposal would be a boon to the wealthy elite. It would remove the tax incentives that would make home purchases, college and health care more affordable. His proposal would tax all purchases on goods and services in our economy, including food, health care and home rents. In fact, the Joint Committee on Taxation did an analysis of a similar proposal and indicated that in order for a sales tax proposal to be revenue neutral over 10 years, the estimated national sales tax rate would be between 36 and 57 percent. That is a 36 and 57 percent sales tax.

Some of us have a State sales tax of 8 or 9 cents, and we think that is awful. But the gentleman from South Carolina (Mr. DEMINT) is proposing that. In other words, the price of a blood transfusion, prescription drugs and a pair of sneakers would increase by 37 to 57 percent. Now, does that sound fair? Oh, and by the way, of course there would be no adoption tax credit under that regime. So if you adopt a child, well, tough luck.

Very good to talk about it here today. I am sure he would like to take this home for the campaign. But when you put in bills that make no sense, all those people who have lost their textile jobs in South Carolina due to international trade and qualify for health tax credits, well, they would be out of luck, too. And the gentleman from South Carolina is going to expect to sell this proposal to the baby boomers in this country who are about to go on a fixed income? Let us take the best case, a 36 percent sales tax. How is he going to sell that and get elected to the United States Senate?

The Health Insurance Association of the United States states that one of the consequences of a flat tax bill is likely to be a rapid increase in the number of people without private health insurance coverage.

□ 1630

One economist estimated that there would be 8 million more people without health benefits if a flat tax proposal was enacted. James Poterba, an economist at MIT, estimated that eliminating the current tax law benefits for purchasing homes could result in a 17 percent decline in the value of the U.S. housing market.

What about payroll taxes? A flat tax proposal may eliminate the deduction that employers pay for their payroll taxes, amounting to a massive tax increase on businesses of all sizes.

The American public may seem naive to some people running for the other body; but they know what this would mean, which is why the President, the President of the United States, who says he wants to tear the tax structure out by its roots, would not even admit that he supports the gentleman from South Carolina's (Mr. DEMINT) proposals.

If you are out here to help families and you want people to adopt children, this bill is flawed. Too much of the money goes to people on the top end like every other proposal that we have brought out here by this administration and this Republican majority. But if you want to make that kind of proposal, then do not put in these silly bills for a sales tax for this country because the people are going to wonder if you are serious about anything. Nobody who is serious about helping people adopt children is going to think that a sales tax on tennis shoes and diapers and all the things that go with kids makes any sense whatsoever.

We will all vote for this, but I think the people should know what the proposer actually has in mind.

Mr. CAMP. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. BRADY), a distinguished member of the Committee on Ways and Means.

Mr. BRADY of Texas. Mr. Speaker, first let me thank the gentleman from Michigan (Mr. CAMP) as a leader in the Committee on Ways and Means on encouraging adoption and the gentleman from South Carolina (Mr. DEMINT), who has been a leader on this issue for many years since I have been a Member of Congress and have come to know him.

I am an adoptive father. My wife and I have two little baby boys, a 5-year-old son, a redhead, named Will; a 2-year-old named Sean. Whoever said that at my age having young kids keeps one young is absolutely wrong. They make us old fast. But they are an absolute joy to us. And it is only in Washington, unfortunately, that we have such a serious subject about trying to help families build their families with an adopted child, that we have an election-year smear campaign brought to the Chamber against one of our colleagues who is running for an office in South Carolina. I guess in Washington these days it is sort of the order of business that one takes the serious issue of children and adoption, who are looking for a home, and then they run these horrible attacks from here from this Chamber. As an adoptive father, I think it is sad and really disgusting.

Let me make this point on this bill, which is really the subject of today, which is adoptions build families. It provides love and hope where really none exists, both for the child and for the parent as well. It is just a joy. And we are so proud of birth moms and dads who choose that option.

This bill is so important because adoptions are so expensive. I do not

know how families afford them any more. If they use an agency, it is easy to begin with a \$25,000 fee. If they have a private adoption, like we did, our first one was very expensive because the adoption was a little more complicated. One can easily spend \$10,000 without blinking an eye. And that puts it out of reach for a lot of middle-income families in America.

And these adoptions are expensive for a reason. One, legal expenses. Over the years at the State level and the Federal level, we have tried to make sure adoptions stick. Both for the birth parents who are giving that child up and for the parents like myself who are adopting them, our legal costs are high, higher these days because these are stronger foundations and more secure adoptions, and that is good. But also we use a lot of those moneys for medical expenses through the agencies, working with the mom on prenatal care, making sure she is getting the checkups for the baby, making sure that child has a chance to have a healthy start in life. So the medical expenses are high. As a result of both of those, adoptions can be so expensive.

And, again, without this tax credit, here each and every year we are going to prevent some loving families from occurring. We are going to keep children in foster care who really ought to be in a loving home at night with parents reading to them and providing them with a future. This adoption tax credit is just critical. It ought not to be something that is temporary but permanent that families in our country can count on and encourage.

With that I urge support and appreciate the leadership again of the gentlemen from Michigan and from South Carolina.

Mr. CARDIN. Mr. Speaker, I yield such time as he may consume to the gentleman from North Dakota (Mr. POMEROY), a member of the Committee on Ways and Means.

Mr. POMEROY. Mr. Speaker, I thank the gentleman for yielding me this time.

I want to begin by offering the comment that on any tax measure brought to the floor of this House, I believe it is entirely appropriate to discuss the larger budget framework facing this country, the out-of-control deficit, the record level of deficit leading to records of levels of debt leading to the impending vote on debt limit. These are all very serious financial matters before the country and brought obviously germane to any discussion of tax cuts, even the one before us.

But I want to speak in favor of this bill. I would have preferred that an offset be included, offsetting the cost of this bill. But, nonetheless, this is a very measured, targeted, and important piece of social policy; and it strikes me right where I live.

On February 3, 1994, I was a freshman Member of this body. My workday ended with a drive to National Airport where my daughter came off the plane

from Korea, my daughter, Kathryn, adopted daughter Kathryn; and it was the greatest day of my life, until May 29, 1996, when in another trip after another day out to National Airport brought me face to face for the first time with my baby boy, Scott.

These children have enriched my life more than anything else possibly could and beyond my wildest imagination. Each day with them is a pure joy. I now know, and am learning later than most, what a complete and fabulous adventure parenthood can be and how deeply satisfying it is to the very fundamental purpose of life.

I speak that from a parent's perspective. But I also care so deeply about the perspective of little children, little children who need homes, need families to love them. I especially am concerned about children in circumstances where placement has been difficult: special needs children, slightly older children, children that would pose for families considering adoption higher costs than an infant adoption.

Because I think this experience is so profound and fundamental to life experience, the business of having children who need homes, connected with parents who will love them and raise them as their own, I certainly do not want financial barriers getting in the way.

In the course of activity of recent years, we have moved in place an adoption tax credit, \$5,000. We have now moved to double it. And with this action today, we would move to make it permanent. I think that is precisely what we need to do. We must not bar families from this experience because of their inability to front the significant up-front costs now ranging from \$8,000 to \$30,000 per adoption.

And my belief is that one would have to look long and hard to find an adoption agency for placement less than \$15,000. So these are very significant costs. This tax credit will not cover all of them in the great majority of cases, but it will make a difference. This will make a critical difference in allowing families to participate in the miracle of adoption that otherwise would not be available.

I want to commend the gentleman from Michigan (Mr. CAMP), who in particular over the years has led this Congress and earlier Congresses in breaking down barriers that have kept kids in indeterminate status, in foster care arrangements with no certainty, no stability. He has, with earlier legislation, made it possible, I believe, to significantly change the national priority and move toward children's interests first, children interests, that being part of a permanent family.

The financial piece of this follows along with this legislation. I think it dovetails very nicely with the gentleman's earlier work.

So I ask that we put aside partisanship on the question of the bill before us. We certainly have much to discuss about the budget, as I mentioned at the outset; but this is important social leg-

islation, the business of building families through the miracle of adoption, linking parents or would-be parents desiring to play out that role in a little one's life with children who need and want more than anything families to love them and raise them. This is good social policy. This is something we can agree on. Let us help it along with this tax credit, and I urge its adoption.

Mr. CAMP. Mr. Speaker, I yield 2 minutes to the gentleman from South Carolina (Mr. DEMINT).

Mr. DEMINT. Mr. Speaker, just a couple of additional comments, and I want to thank the gentleman from North Dakota for his perspective.

And just for those of my colleagues who have budget concerns, as has already been mentioned, this bill fits into the budget. It is also the best investment this country could make, building strong families; and just the reduction in foster care alone more than offset this tax bill.

If I could say a word about the colleague who interrupted our celebration with some political comments about my sales tax, I would assure all my colleagues, so there will not be any concern, that I have never in this body supported anything that increased taxes or costs on the American people and do not intend to and would never support the type of legislation that was just described here. So I do not want there to be concern on the other side, because I cut taxes; I do not raise them.

Mr. CARDIN. Mr. Speaker, I reserve the balance of my time.

Mr. CAMP. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia (Mr. LINDER).

Mr. LINDER. Mr. Speaker, I thank the gentleman from Michigan for yielding me this time.

I was watching some of the coverage on TV of the debate and saw some of the worst demagoguery I have ever seen in my life. And we will hear it again and again.

It is true that the gentleman from South Carolina is a cosponsor of a bill for a sales tax. So are 54 of his friends in this House. And it is true that the sales tax would be at 23 percent of what we spend. But the fact of the matter is we are currently giving up 22 percent of what we spend to the current system.

A study that we have from the head of economics at Harvard argues that 22 percent of what we are currently spending at retail represents the embedded cost of the current system. One is paying every tax bill and compliance cost of every company that touched that house or that appliance or even that loaf of bread.

If we are to get rid of the income tax and the payroll tax and all tax on income, competition would drive that out of the system. And if we replace it with a 23 percent tax, we would have a 1 percent higher standard of living, but they would keep their whole check and the average income earner would have a 56 percent increase in take-home pay.

We have heard before the study out of the Joint Committee on Taxation that said it had to be at 50 percent or 60 percent. That is true, because they made some assumptions that the bill would not pass as written; and when they made those assumptions and took taxes off certain things, it raised the cost.

But just think about this for a moment. We have a negative savings rate in this country, which is to say we spend more than we earn. And if the tax needed to be 56 percent on what we spend, then surely we would have to argue that it has to be more than that on what we earn. And I do not hear anybody saying that we have an average income tax at 56 percent.

We are going to be forced to make some tough decisions in the very near future, and we are going to come to a system that gets the tax component out of the price system so that we are more competitive in the world economy. And the only bill that does that is the one that gets rid of all tax on income and the payroll tax. We spend 6 to 7 billion man-hours just filling out IRS paperwork. We spend at least that much time calculating the tax implications of a business decision. We lose 18 percent of our economy to making decisions based on the tax consequences instead of the economics. It is costing us somewhere between 300 and \$500 billion a year just to comply with this complicated code.

What it is doing is it is forcing jobs overseas. If we became the only Nation in the world that sold goods and services into a global economy with no tax component in the price system, we would not only be voraciously competitive, but every foreign corporation would build its next plant in this country so that they could sell into a global economy with no tax component in the price system.

We have a coming crisis in Social Security and Medicare. Larry Kotlakof, an economist from Boston University, says that the shortfall, the 75-year unfunded liability in Social Security and Medicare, is \$51 trillion.

□ 1645

The total household debt in America is less than \$44 trillion. That system cannot survive by having employees pay for retirees. If we move it to a portion of the 23 cents of the sales tax, we would double the revenues to those categories in 15 years by doubling the size of the economy in 15 years.

Lastly, we have somewhere between \$5 trillion and \$6 trillion sitting in offshore accounts to protect them from the IRS because it is too expensive to repatriate money. A company would rather borrow at 6 percent than repatriate at 33 percent that. That money would all be in our shores if we were to become the world's largest tax haven, and we would be creating jobs with it.

To demagogue an idea without reading the 132 pages is what this House does an awful lot of. But if someone

would take the time to read it and understand that we are already paying this tax, that we totally untax the poor by getting rid of the 22 percent embedded cost and by giving every household a check to totally untax them up to the poverty line, if they would begin to understand that this is actually a tax on accumulated wealth, relieving the tax for low-income people, maybe we could have an honest debate about this and maybe we could speak some truth on the floor of the House. It is way too much to expect, but let us give it a shot.

Mr. CARDIN. Mr. Speaker, this discussion is becoming a little bit more interesting than we thought.

Mr. Speaker, I am pleased to yield 2½ minutes to the gentleman from North Dakota (Mr. POMEROY).

Mr. POMEROY. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, again I support the underlying proposition before us, but there are remarks made about a national sales tax that I simply have to respond to, representing a rural area like I do.

The principal industry in North Dakota is agriculture. Agriculture is based upon family farming. The economics behind a family farm are pretty interesting. Every year, these families essentially stake about everything they have got on making equipment payments, making land purchases, buying the inputs to get the crop in, the seed, the fertilizer, the gas to run the tractor.

You are not going to find for a family-sized small business, I do not think, an undertaking beyond family farming where there is so much money that goes out the door and into the ground with the hope that you are going to have a crop come around harvest time and have something to make up those costs with.

Why go into that is because, just think of it for a minute, suddenly you are going to add about a 23 cent per dollar hit on a national sales tax. You could not come up with a worse scheme if you imagined to knock family farmers out of business all across this country. I believe it would absolutely be a catastrophe to family farmers and to rural America.

Underlying the principle further is the whole notion that we should tax wages, not wealth. The gentleman talks about leaving the payroll tax intact. But for someone living comfortably on trust fund income, zero tax on those earnings; and then a tax, of course, on consumption, like everyone else would have.

What is at stake here is an effort to make incredibly regressive changes to the Tax Code so that the moderate-income families, the middle-income families in this country, suddenly assume a significantly new burden in terms of additional taxes away from the most affluent few.

You would think the changes already made, that have been documented to be

so regressive in character, would already have been enough to satisfy this appetite. But there seems to be no limit to what they want to do in terms of increasing burden on the middle- and moderate-income families, while giving a pass to the most-affluent few. When it comes to a particular industry, one I know well, agriculture, this would be a death knell for family farming all across the country.

This national sales tax proposition is very bad business. Let us not let this concept take root, even in a discussion this afternoon on the adoption tax credit. This national sales tax is bad, bad business.

Mr. CAMP. Mr. Speaker, I yield 30 seconds to the gentleman from Georgia (Mr. LINDER).

Mr. LINDER. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I guess it is too much for people to read the 132-page bill. We get rid of the payroll tax, we do not leave it in place, and there is simply no tax on farmers. It is only on personal consumption, and the Farm Bureau is very close to endorsing the entire idea.

Mr. CARDIN. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from Washington (Mr. McDERMOTT).

(Mr. McDERMOTT asked and was given permission to revise and extend his remarks.)

Mr. McDERMOTT. Mr. Speaker, the gentleman from Georgia is correct, we never have enough time to discuss taxes out here. We usually run bills through here with no time at all to think about anything.

The fact is, if you really want to understand what this country is doing, there is a wonderful book called "After the Empire" by a guy named Emanuel Todd. He is the guy that predicted when the Soviet Union would come down. He is the only one who predicted it before it happened.

He is now talking about the chaos that this administration and this Republican majority have put this country in. You are borrowing enough money for the Defense Department. That is what you are borrowing. You are only taking in enough revenue to handle everything but defense, and you are borrowing all over the world, from the Chinese and the Japanese and the Europeans.

If some day they say to us, United States, we are tired of funding your Defense Department so you can come over here and hammer us or mess up things in the Middle East or run around the world anywhere you want and start a war, because you have got a President now who says we can start a war any time we want any place we want. The world is afraid economically of the United States.

This is a war of economics. It is not a war on terror, it is a war on economics. One of the reasons why we got into this whole business in the Middle East is because the rest of the world is thinking about leaving the dollar as

the currency that stabilizes the world and going to the Euro. They were doing it in Iran. Saddam Hussein was talking about doing it in Iraq. If they had done that to the oil economics of this world, we would have had a major catastrophe. So one of the side benefits of this little exercise over in Iraq was that we did not get oil denominated in Euros.

You people simply will not look at what you are doing. You cannot fight a war and have 700 bases all over the world and run a deficit of \$450 billion every year for the whole future that you can see.

This little bill here today is a minor issue; we know that. But it gives us an opportunity to point out that your economics are upside down.

You talk great things about, we are going to reform the tax system. We had a chairman on the Committee on Ways and Means for the 10 years he was here, who said he was going to reform the tax system, was going to tear it out by its roots, but he never brought a bill to the committee.

So it really is all talk, because you know it is nonsense. You want the American people to believe it. You want the American people to believe that we can get rid of that awful, terrible income tax and we will have this nice, easy sales tax that somebody else will pay. But when you look at it and how it actually works, it does not work, and that is why you will not do it.

You have no courage. You own both Houses, both the Senate and the House, and you have never brought that bill out here to be discussed. Why not? Because you know it is nonsense. You know it is nonsense. That is why you have to run these bills through in the middle of the night with 1 hour's debate or 2.

So, let us be honest here about taxes. This little one will pass, but do not give us this sales tax or what you are going to rip out by the roots.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. TERRY). The Chair reminds Members that remarks should be made to the Chair and not to others in the second person.

Mr. CARDIN. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, as I said in the beginning, I support this bill. It is good policy, the adoption tax credit. It should be made permanent. This bill will make it permanent. It helps families who need help in adopting children, particularly those with special needs.

But I want to point out that this bill removes the sunset that would take effect in the year 2010. So if this bill were not to be enacted into law this year, I want people to understand that we are not endangering the ability of families to take advantage of the tax credit. There is no urgency as far as the expiration of the tax credit itself is concerned.

I do want to correct statements that I think were made by two of my col-

leagues, because I think they were misleading when it was said that the passage of this tax credit is consistent with the budget. We have not passed a budget. We have not reconciled the difference between the House and the other body.

Now, I know my colleagues will say, well, we passed one here and we are consistent with what we did. But there is no budget that puts us on a glide path towards responsible budgeting.

That is my concern, Mr. Speaker, and that is one of the reasons I raised the issue. The deficit this year is \$422 billion. I do not believe any one of my colleagues is happy with that result.

What will this bill do? It will add a little bit more to the deficit. It will add a little bit more to the red ink of our Nation. I find that regrettable. I think we need to institute budget discipline. We need to offset our expenditures, whether they are in the Tax Code or in the operating budget, so that we do not add to the red ink of the Nation.

Unfortunately, this bill will not do that. And it would be easy for us to agree in a bipartisan manner to the necessary offsets so this bill does not add further to the deficit.

That is the offer that I make on behalf of this side of the aisle. Yes, we support this legislation. Yes, we will work with you to make sure it gets to the President for his signature. But work with us so we do not continue to add red ink and debt to our Nation.

Mr. Speaker, I yield back the balance of my time.

Mr. CAMP. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me just get back to the basics about what this bill is about. In 2001, this Congress passed tax relief which included an increased and enhanced adoption tax credit. This new law will expire. The sunset was included in the law simply to comply with Senate procedural rules. This legislation would repeal that sunset so that the adoption tax credit provisions remain permanent.

If this legislation, H.R. 1057, is not enacted, then the adoption tax credit would be cut from a maximum of \$10,000 to zero. Families who adopt special needs children would no longer receive the flat credit. Instead, it would be a much more limited credit.

Also, certain families may be pushed into higher tax brackets. Fewer families will be eligible for the credit altogether. This is important, because not only can adoptions be very, very expensive; as I mentioned earlier, it would mean that many families could not afford adoptions.

I have a letter here that I will include for the record, a statement of administration policy strongly supporting this legislation, recognizing that adoption is a tremendously wonderful way to build families and to provide loving homes for children in need.

This tax relief will help provide the financial relief families need. The

home studies and some of the medical checks that are necessary as a result of an adoption can be very, very expensive, and this will help families as they take that very important step.

So the administration supports this legislation and is urging that we have quick action in Congress to reduce the financial burdens that families have when they undertake adoptions by making this important part of the tax relief that we passed in 2001 permanent.

Mr. Speaker, I urge adoption of this resolution and submit the letter I previously mentioned.

EXECUTIVE OFFICE OF THE PRESIDENT,  
OFFICE OF MANAGEMENT  
AND BUDGET,

Washington, DC, September 22, 2004.

STATEMENT OF ADMINISTRATION POLICY

H.R. 1057—ADOPTION TAX RELIEF GUARANTEE ACT (REP. DEMINT (R) SOUTH CAROLINA AND 203 COSPONSORS)

The Administration strongly supports H.R. 1057, which would permanently extend the expanded tax relief for adoption enacted in 2001. Adoption is a wonderful way to build a family and to provide a loving, permanent home to a child in need. Making the tax relief for adoptions permanent will provide financial relief to families taking this important step.

The President has called on Congress to make provisions of the 2001 and 2003 tax relief acts permanent to prevent tax increases from hitting America's families, small businesses, investors, farmers, and seniors. Tax relief has greatly helped the economy weather the storms of recent years and fueled the economic recovery underway today. Making tax relief permanent will lay the foundation for sustained economic growth and job creation over the long term and enable taxpayers to better plan for their future.

The Administration is pleased that the House is acting now to make tax relief for adoption permanent. The Administration urges quick action in Congress to reduce the financial burden of families undertaking adoption by making this important part of the President's tax relief plan permanent.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. CAMP) that the House suspend the rules and pass the bill, H.R. 1057.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. CAMP. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

□ 1700

GENERAL LEAVE

Mr. CAMP. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the subject of H.R. 1057, the bill just considered.

The SPEAKER pro tempore (Mr. TERRY). Is there objection to the request of the gentleman from Michigan? There was no objection.

# CALLING FOR THE SUSPENSION OF SUDAN'S MEMBERSHIP ON THE UNITED NATIONS COMMISSION ON HUMAN RIGHTS

Mr. SMITH of New Jersey. Mr. Speaker, I move to suspend the rules and concur in the Senate concurrent resolution (S. Con. Res. 137) calling for the suspension of Sudan's membership on the United Nations Commission on Human Rights.

The Clerk read as follows:

S. CON. RES. 137

Whereas in Darfur, Sudan, more than 30,000 innocent civilians have been murdered, more than 400 villages have been destroyed, more than 130,000 men, women, and children have been forced from their villages into neighboring countries, and more than 1,000,000 people have been internally displaced;

Whereas the United States Government has been, and remains as of September 2004, the largest contributor of assistance to the people of Darfur, having provided over \$200,000,000 in assistance, which constitutes more than 70 percent of the total assistance provided to that region;

Whereas the United States has pledged \$299,000,000 in humanitarian aid to Darfur through fiscal year 2005, as well as \$11,800,000 in support of the African Union mission in that region, and is likely to provide support in excess of those pledges;

Whereas United States citizens and private organizations, as well as the United States Government, have admirably worked, at great risk and through great effort, to ease suffering in Darfur, Sudan, and in eastern Chad;

Whereas based on credible reports, Congress determined in late July 2004 that acts of genocide were occurring in Darfur, Sudan, and that the Government of Sudan bears direct responsibility for many of those acts of genocide;

Whereas expressing its grave concern at the ongoing humanitarian crisis and widespread human rights violations in Darfur, including continued attacks on civilians that place thousands of lives at risk, the United Nations Security Council on July 30, 2004, unanimously adopted Security Council Resolution 1556, which called upon the Government of Sudan to fulfill immediately its obligations to facilitate humanitarian relief efforts, to take steps to disarm immediately the Janjaweed militias responsible for attacks on civilians and bring the perpetrators of such attacks to justice, and to cooperate with independent United Nations-sponsored investigations of human rights violations;

Whereas the Government of Sudan has failed to take credible steps to comply with the demands of the international community as expressed through the United Nations Security Council;

Whereas according to press reports, reports from nongovernmental organizations, firsthand accounts from refugees, and other sources, the Janjaweed attacks on the civilians of Darfur continue unabated as of September 2004;

Whereas there are credible reports from some of these same sources that the Government of Sudan is providing assistance to the Janjaweed militias and, in some cases, that Government of Sudan forces have participated directly in attacks on civilians;

Whereas the United States Government, after conducting more than 1,000 interviews

with survivors and refugees, has determined that genocide has occurred in Darfur, that it may still be occurring, and that both the Janjaweed and the Government of Sudan bear responsibility for these acts;

Whereas the Secretary of State has determined that the attacks by the Government of Sudan and the Janjaweed on the non-Arab people of Darfur and their villages are based on race, not religion;

Whereas the United States has recently introduced a new resolution in the United Nations Security Council that calls for the Government of Sudan to cooperate fully with an expanded African Union force and for a cessation of Sudanese military flights over Darfur;

Whereas the introduced resolution also provides for international overflights of the Darfur region to monitor the situation on the ground and requires the United Nations Security Council to review the record of compliance of the Government of Sudan to determine whether the United Nations should impose sanctions on Sudan, including sanctions affecting the petroleum sector in that country;

Whereas the resolution also urges the Government of Sudan and the Sudanese People's Liberation Movement to conclude negotiations on a comprehensive peace accord and, most important, calls for a United Nations investigation into all violations of international humanitarian law and human rights law that have occurred in Darfur in order to ensure accountability;

Whereas the United Nations Security Council, in United Nations Security Council Resolution 1556, emphasized that the Government of Sudan bears primary responsibility for respecting human rights and protecting the people of Sudan;

Whereas United Nations Security Council Resolution 1556 calls upon the Government of Sudan to cooperate with the United Nations;

Whereas the United Nations Human Rights Commission, established in 1946 and given the responsibility of drafting the Universal Declaration of Human Rights, is responsible for promoting respect for and observance of, human rights and fundamental freedoms for all;

Whereas the Universal Declaration of Human Rights declares that all human beings are born free and equal in dignity and rights, that everyone is entitled to all the rights and freedoms set forth in the Declaration regardless of race, color, sex, language, religion, political or other opinion, or national or social origin, property, birth, or other status, that everyone has the right to life, liberty and security of person, that no one shall be held in slavery or servitude, and that no one shall be subjected to torture or to cruel, inhuman, or degrading treatment or punishment;

Whereas the Convention on the Prevention and Punishment of Genocide, done at Paris on December 9, 1948 (hereafter in this resolution referred to as the "Genocide Convention"), delineates the criteria that constitute genocide and requires parties to prevent and punish genocide;

Whereas Sudan is a state party to the Genocide Convention and remains a member of the United Nations Commission on Human Rights;

Whereas the Secretary of State determined that, according to United States law, the Government of Sudan is a state sponsor of terrorism and has been since 1993 and therefore remains ineligible for United States foreign assistance;

Whereas due to the human rights situation in Darfur, it would be consistent with United States obligations under the Genocide Convention for the Secretary of State and the

United States Permanent Representative to the United Nations to seek the immediate suspension of Sudan from the United Nations Commission on Human Rights and, in the event a formal investigation results in a determination by the United Nations that genocide has occurred in Darfur, the ultimate removal of Sudan from such Commission; and

Whereas it is a mockery of human rights as a universal principle, a challenge to the United Nations as an institution, and an affront to all responsible countries that embrace and promote human rights that a government under investigation by the United Nations for committing genocide against, and violating the human rights of, its own citizens sits in judgment of others as a member in good standing of the United Nations Commission on Human Rights: Now, therefore, be it

*Resolved by the Senate (the House of Representatives concurring), That Congress—*

(1) recognizes and approves of the findings of the Secretary of State that genocide has occurred and may still be occurring in Darfur, Sudan, and that the Government of Sudan bears responsibility for such acts;

(2) supports the Secretary of State's call for a full and unfettered investigation by the United Nations into all violations of international humanitarian law and human rights law that have occurred in Darfur, with a view to ensuring accountability;

(3) supports the resolution introduced by the United States Government in the United Nations Security Council on September 9, 2004, with regard to the situation in Darfur;

(4) calls upon the Secretary of State and the United States Permanent Representative to the United Nations to take immediate steps to pursue the establishment of a formal United Nations investigation, under Article VIII of the Genocide Convention, to determine whether the actions of the Government of Sudan in Darfur constitute acts of genocide;

(5) calls upon the Secretary of State and the United States Permanent Representative to the United Nations to take immediate steps to pursue the immediate suspension of Sudan from the United Nations Commission on Human Rights;

(6) calls upon the Secretary of State and the United States Permanent Representative to the United Nations to take further steps to ensure that the suspension of Sudan from the United Nations Commission on Human Rights remains in effect unless and until the Government of Sudan meets all of its obligations, as determined by the United Nations Security Council, under United Nations Security Council Resolution 1556 of July 30, 2004, and any subsequent United Nations Security Council resolutions regarding this matter;

(7) calls upon the Secretary of State and the United States Permanent Representative to the United Nations to take steps to ensure that, in the event that the formal investigation of acts of genocide in Sudan results in a determination by the United Nations that genocide has occurred or is occurring in Darfur, the United States Government takes appropriate actions to ensure that Sudan is removed from the United Nations Human Rights Commission;

(8) calls upon the member states of the United Nations Commission on Human Rights to convene an immediate special session to consider the urgent and acute human rights situation in Sudan for the purpose of considering whether Sudan should be suspended from membership in such Commission; and

(9) expects the Secretary of State to report to Congress on progress made toward taking the actions and accomplishing the objectives